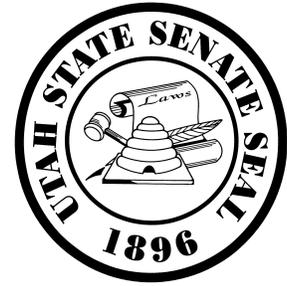




**Fiscal Note**

**H.B. 419**

2023 General Session  
Tobacco Regulation Amendments  
by Dailey-Provost, J.



**General, Income Tax, and Uniform School Funds**

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$ (10,600)	\$ 0	\$ (10,600)

**State Government**

UCA 36-12-13(2)(c)

Revenues	FY 2023	FY 2024	FY 2025
General Fund	\$ 0	\$ (10,600)	\$ (10,600)
Dedicated Credits Revenue	\$ 0	\$ 23,700	\$ 23,700
Court Security Account (GFR)	\$ 0	\$ 0	\$ 0
<b>Total Revenues</b>	<b>\$ 0</b>	<b>\$ 13,100</b>	<b>\$ 13,100</b>

Enactment of this legislation may increase ongoing dedicated credits to the Department of Environmental Quality by \$23,700 ongoing in FY 2024. Additionally, enactment of this bill for new infractions up to \$2,000 could result in ongoing General Fund revenue of \$12,900 from the assessment of fines and criminal surcharge fees beginning in FY 2024. This could also result in a \$1,000 ongoing revenue increase to Court Security beginning in FY 2024. Finally, enactment of this bill for fewer class C misdemeanors could result in ongoing General Fund revenue reduction of (\$23,500) from the assessment of fines and criminal surcharge fees beginning in FY 2024. This could also result in a (\$1,000) ongoing revenue reduction to Court Security beginning in FY 2024.

Expenditures	FY 2023	FY 2024	FY 2025
Dedicated Credits Revenue	\$ 0	\$ 23,700	\$ 23,700
<b>Total Expenditures</b>	<b>\$ 0</b>	<b>\$ 23,700</b>	<b>\$ 23,700</b>

Enactment of this legislation may increase costs to the Department of Environmental Quality by \$23,700 ongoing beginning in FY 2024 to properly dispose of electronic cigarette products.

	FY 2023	FY 2024	FY 2025
<b>Net All Funds</b>	<b>\$ 0</b>	<b>\$ (10,600)</b>	<b>\$ (10,600)</b>

## **Local Government**

UCA 36-12-13(2)(c)

Enactment of this legislation may impact the State's 13 local health departments by having them collect and then remit to the State \$23,700 annually. Enactment of this bill for new infractions up to \$2,000 could result in an ongoing fine revenue increase by an estimated \$37,400 beginning in FY 2024. Local government entities could experience the following estimated expenditure impacts beginning in FY 2024: 1. Prosecutors - \$4,600 increase; 2. Local Justice Court - unknown increase. Further, new \$50 infractions could increase fine revenue by \$4,500 ongoing beginning in FY 2024. Finally, enactment of this bill from fewer misdemeanor C cases could result in an ongoing fine revenue decrease by an estimated (\$26,700) beginning in FY 2024. Local government entities could experience the following estimated expenditure impacts beginning in FY 2024: 1. Prosecutors - (\$32,500) decrease; 2. Public Defense - (\$18,000) decrease; 3. Local Justice Court - unknown decrease.

## **Individuals & Businesses**

UCA 36-12-13(2)(c)

Enactment of this legislation may annually cost 773 general tobacco permit holders and 174 retail tobacco specialty permit holders \$25 each. Individuals not cited for misdemeanor C violations could save \$2,000 per case for an aggregated savings of \$51,200 in fines and surcharge fees beginning in FY 2024. Individuals cited for infractions could pay up to \$2,000 per case for an aggregated cost of \$51,300 in fines and surcharge fees beginning in FY 2024. Around 90 tobacco retailer employees may annually pay a \$50 infraction beginning in FY 2024.

## **Regulatory Impact**

UCA 36-12-13(2)(d)

Enactment of this legislation could result in a small increase in the regulatory burden for Utah residents or businesses.

## **Performance Evaluation**

JR1-4-601

This bill does not create a new program or significantly expand an existing program.

## **Notes on Notes**

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.